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August 16, 2002

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Marlene H. Dortch Secretary Federal Communications Commission 445 - 12th Street, S.W. Room TW-A325 Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: IB Docket No. 02-111; Information Responses To Be Withheld From Public Inspection

Dear Ms. Dortch:

On behalf of Pacific Telecom Inc., the transferee in the above-referenced proceeding, and pursuant to Section 0.459(a) of the Commission's rules, I submit an original and two copies of two separate requests that certain materials responsive to information requests of the International Bureau be withheld from public inspection. The requests themselves are not subject to a confidentiality request. I also submit one copy of a velobound document that contains all the confidential materials to be withheld from public inspection.

Please contact the undersigned if you have any questions.

Sincerely,

WILKINSON BARKER KNAUER, LLP

By:

Γimothy J. Coo**n**(e

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Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re:

IB Docket No. 02-111; Request Pursuant to 47 CFR §§ 0.457(d) and 0.459 for Confidential Treatment of Attachment 3 to Responses to International Bureau Information Requests

Dear Ms. Dortch:

This letter is submitted on behalf of Bell Atlantic New Zealand Holdings, Inc. ("BANZHI") and Pacific Telecom Inc. ("PTI") (collectively, "the Joint Applicants") as part of PTI's responses to the August 1, 2002, information requests from James L. Ball, Chief, Policy Division, International Bureau in the above-referenced docket.

By separate letter of even date addressed to Mr. Ball, PTI responds to the Federal Communication Commission's ("FCC" or "Commission") information requests and has no objection to those responses and associated attachments being made routinely available for public inspection. Pursuant to Sections 0.457(d) and 0.459 of the Commission's rules, however, the Joint Applicants request that the material submitted as an attachment in response to Information Request No. 3 be withheld from public inspection.

Information Request No. 3 seeks "[a] copy of the Stock Purchase Agreement associated with PTI's proposed acquisition of Micronesian Telecommunications Corporation (of which

Section 0.457(d)(2) of the Commission's rules allows persons submitting materials that they wish withheld from public inspection in accordance with Exemption 4 of the Freedom of Information Act ("FOIA") to file a request for non-disclosure. 5 U.S.C. § 552(b)(4); 47 C.F.R. § 0.457(d). The requirements governing such requests are set forth in Section 0.459(b). By separate letter, PTI also requests confidential treatment of the documents submitted in response to the International Bureau's Information Request No. 9.

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BANZHI is the current 100 percent shareholder) and its subsidiary GTE Pacifica." The Joint Applicants submit a copy of the Purchase and Sale Agreement with a coversheet marked "IB Docket No. 02-111. CONFIDENTIAL MATERIAL TO BE WITHHELD FROM PUBLIC INSPECTION." As explained below, of particular concern to the Joint Applicants is public disclosure of the purchase price of MTC and certain financial statements that are appended to the Purchase and Sale Agreement. In the event the Commission were to deny this request for confidentiality, the Joint Applicants request that they at least be allowed to substitute for public disclosure a copy of the Purchase and Sale Agreement with the purchase price, MTC's assumed working capital, and the financial attachments redacted.

Information in support of the Joint Applicants' request for confidential treatment, and responsive to Section 0.459(b) of the Commission's rules, is provided below:

- 1. The specific document for which confidential treatment is sought is the Purchase and Sale Agreement dated November 23, 2001 ("Purchase Agreement") relating to the proposed acquisition of The Micronesian Telecommunications Corporation ("MTC").
- 2. The Purchase Agreement is being filed in response to Commission's August 1, 2002 request. The relevant FCC proceeding is IB Docket No. 02-111.
- 3. The Purchase Agreement sets forth the terms and conditions of the contemplated transaction and reflects detailed, sensitive commercial and financial information, including the agreed upon purchase price, MTC's net working capital, MTC's financial statements, and related terms and conditions.
- 4. As explained in the Joint Opposition To Petitions To Deny and Informal Opposing Comment filed in this proceeding by the Joint Applicants on July 1, 2002, all the services provided by MTC and its subsidiaries are open to competition, in particular interexchange, wireless and international services.
- 5. The Joint Applicants customarily guard the type of information contained in the Purchase Agreement because disclosure of such information would result in competitive harm to both parties. Specifically, the seller BANZHI entertained competing bids for MTC and accepted the bid by PTI. PTI's competitive position would be compromised if its competitors could determine the price PTI paid and the terms and conditions negotiated. Moreover, such competitors might be able to use the information contained in the Purchase Agreement to develop market and business strategies to affect negatively PTI's operations following consummation of the transaction. Finally, in the event the transaction is not consummated, BANZHI's

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competitive position would be compromised if new bidders for MTC were aware of the price, terms and conditions of the bid that BANZHI previously accepted.

- 6. The Joint Applicants submitted the Purchase Agreement to the local regulator in the Commonwealth of the Northern Mariana Islands ("CNMI"), the Commonwealth Telecommunications Commission, under a request for confidential treatment. The Joint Applicants have not disclosed the Purchase Agreement to any other government or private party.
- 7. The Purchase Agreement is not available to the public and has not previously been disclosed to any third party expect to the Commonwealth Telecommunications Commission under the above-referenced request for confidential treatment.
- 8. The Joint Applicants request continuing confidential treatment of the Purchase Agreement because of the sensitive financial data contained therein.

Please contact the undersigned attorneys for the Joint Applicants if you have any questions.

Respectfully submitted,

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Attorneys for Pacific Telecom Inc.

August 16, 2002

cc: Attached Service List (w/o enclosure)

CERTIFICATE OF SERVICE

I, Felicia Lane, a legal secretary at Wilkinson Barker Knauer, LLP certify that on August 16, 2002, the foregoing was served on all parties listed below by hand delivery (indicated by asterisk) and U.S. mail, first class, postage prepaid.

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